

MINUTES

MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By **CHAIRMAN DARYL TOEWS**, on March 12, 1999 at 3:12 P.M., in Room 402 Capitol.

ROLL CALL

Members Present:

Sen. Daryl Toews, Chairman (R)
Sen. Bill Glaser, Vice Chairman (R)
Sen. Jon Ellingson (D)
Sen. Alvin Ellis (R)
Sen. John Hertel (R)
Sen. Bob Keenan (R)
Sen. Mike Sprague (R)
Sen. Spook Stang (D)
Sen. Mignon Waterman (D)
Sen. Jack Wells (R)

Members Excused: Sen. Debbie Shea (D)

Members Absent: None.

Staff Present: Eddye McClure, Legislative Branch
Janice Soft, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 348, 3/3/1999; HB 584,
3/3/1999; HB 419, 3/3/1999; HB
414, 3/3/1999
Executive Action: HB 414 BCI; HB 304 BCIAA; HB
419 BCI

HEARING ON HB 348

Sponsor: REP. TOM FACEY, HD 67, Missoula

Proponents: Lance Melton, Montana School Boards Association
Don Waldron, Montana Rural Education Association

Opponents: None

Opening Statement by Sponsor:

REP. TOM FACEY, HD 67, Missoula, said this was a simple bill dealing with first-class elementary districts not being required to have a school board meeting every month. Mandated meeting months would be April, August, October and January.

Proponents' Testimony:

Lance Melton, Montana School Boards Association (MSBA), said this bill covered an area which was cumbersome in the law and did not "square" with what was practiced. He said these were elected officials who did a good job of deciding when to meet for the purpose of conducting business. Therefore, having a statute telling them when to meet seemed a bit cumbersome. He expressed support for the bill and urged the Committee's concurrence.

Don Waldron, Montana Rural Education Association (MREA), said they had a number of districts which wanted to see this on the books. They supported **HB 348**.

Opponents' Testimony: None.

Questions from Committee Members and Responses:

SEN. JACK WELLS asked if parents had been surveyed to see if they felt this bill would limit their opportunities to present issues to the school boards. **Lance Melton** said MSBA had not taken any comments; however, he argued that process, even in case of a specific request, could be addressed under **Section 20-3-322(3)**, which allowed for special school board meetings.

SEN. WELLS said parents in his district complained they had been ignored by school boards, and wondered how the sponsor would feel about adding an amendment which would require the presiding officer to call a meeting if he or she received a letter from a specified number of parents. **Tom Facey** said he noticed communities felt school board members were just as important as legislators. He maintained if parents could dictate when the board would meet, there would be fewer and fewer candidates. He did not think the bill prohibited public input.

SEN. JOHN HERTEL wondered how the monthly warrants would be approved and signed, because that was one of the duties of the school board. **Don Waldron** said he could not believe any school board would not meet more often than the four listed months.

SEN. MIGNON WATERMAN asked how the warrants would be approved and signed if the board did not meet monthly. **Don Waldron** suggested small districts could skip two or three months, but not more than that, if they were to pay their bills.

SEN. WATERMAN asked him if he meant the bills would not be paid monthly. **Don Waldron** said rural districts did not pay their bills every month, i.e. in the summer.

SEN. WATERMAN asked the same question of **Lance Melton**, who said according to law, there was no obligation for the board to have a quorum in order to approve the financial transactions of the district. That was the reason for the chief administrative officer. He asked if the warrants should be approved and affirmed his question; however, he said it did not need to occur on a monthly basis.

{Tape : 1; Side : A; Approx. Time Counter : 8.2}

SEN. WATERMAN said when she was chairman of Montana School Boards Association, there was a superintendent who said an ideal board was there to meet and approve what the superintendent did. It seemed this bill was a step in that direction, and she had problems with that. She suggested if a board met only four times a year, they were not very involved with their school or their community. **Lance Melton** said that was not the intention of this bill, and reminded her the bill addressed first-class elementary districts, which currently were the only elementary districts in the state required to meet on a monthly basis. He suggested it was about how many times the law would compel districts to meet and about fiscal responsibility, i.e. if there was no business to be conducted, trustees should not be required to meet.

Eddy McClure defined a first-class elementary district as having a population of 6,500 or more.

Closing by Sponsor:

REP. TOM FACEY said he closed.

HEARING ON HB 584

Sponsor: REP. CAROL JUNEAU, HD 85, Browning

Proponents: Angela Fultz, Secretary of State's Office

Opponents: None

Opening Statement by Sponsor:

REP. CAROL JUNEAU, HD 85, Browning, said this bill was requested by the Secretary of State to authorize state property be donated to school districts for classroom use. Current law dictated when an agency had equipment it no longer used, the surplus property had to go to the Property and Surplus Division in the Department of Administration, which would then be salvaged by other agencies or the public. She said this bill came about in 1998, when the Secretary of State requested authority from the Department of Administration to donate their excess computers to school districts. The Department of Administration informed the Secretary of State's office the state statutes regarding the sale of state property did not permit state agencies to donate property. The bill allowed agencies, through the approval of the Department of Administration, to donate surplus properties to schools for educational or classroom use. She commented **HB 584** was a good bill because it allowed classrooms to receive donated pieces of equipment, especially electronic.

Proponents' Testimony:

Debra Fultz, Secretary of State's Office, said according to state standards, their office was required to change their computers every four years. Therefore, they had computers which could be used by school districts. Currently, entities had to purchase the computers from Property and Surplus Supply and then use additional resources to add extra memory. This bill would be a cost-savings both to the districts and the Department because there was a cost involved for the Department when the surplus goods were taken off their hands. **Ms. Fultz** said they currently had about 10 computers to donate and hoped the Committee would look favorably on the bill so they could move forward.

Opponents' Testimony: None.

{Tape : 1; Side : A; Approx. Time Counter : 14.2}

Questions from Committee Members and Responses:

SEN. MIGNON WATERMAN wondered if it was not already possible to donate without going through State Administration. **Angela Fultz** said because of the agreement, the Department of Administration ran the program; therefore, their approval would still be needed.

SEN. WATERMAN asked if they would charge a fee to run the program and **Ms. Fulton** said they did not say whether or not they would; she assumed they would not.

SEN. ALVIN ELLIS asked if there was a plan regarding the distribution, especially if more than one school were interested. **Ms. Fulton** said they felt the equipment needed to be spread out through the school districts, and not just in Helena. They had checked with OPI, and discovered they delivered around the state. She assumed there would be a cooperative effort in distributing the equipment.

SEN. BILL GLASER was of the opinion that Surplus Property, by rule, could dispose of surplus properties within other areas of state government. He hoped that would not happen. **Angela Fultz** said they wrote a letter to the Department of Administration which requested them to donate the computers. They got a letter back which said the disposal of the equipment purchased had to follow state statutes governing surplus property, i.e. the property could not be donated.

SEN. DARYL TOEWS commented there was the conceptual idea of distributing the equipment, but not a plan to carry it out. **Ms. Fultz** agreed, saying they left it to the Department of Administration.

Closing by Sponsor:

REP. CAROL JUNEAU said she thought **HB 584** was good for schools and for students. She encouraged a DO CONCUR for the bill. She stated **SEN. DEBBIE SHEA** would carry the bill on the Senate Floor.

{Tape : 1; Side : A; Approx. Time Counter : 18.8}

HEARING ON HB 419

Sponsor: **REP. LINDA MCCULLOCH, HD 70, Missoula**

Proponents: **Lance Melton, Montana School Boards Association**

Opponents: **None**

Opening Statement by Sponsor:

REP. LINDA MCCULLOCH, HD 70, Missoula, said the bill was a result of a resolution among the Montana School Board Association members. It allowed school districts to do building projects with a county or city government which was within or adjoining their counties. Advantages of this arrangement included savings to the taxpayers, optional participation, local control, encouragement of cooperation among local government bodies and separate bonds for the joint projects. Current law already allowed two school districts to be involved in joint construction but not a school district and city-county entity. She informed the Committee the bill changed nothing in regard to voting percentages needed.

Proponents' Testimony:

Lance Melton, Montana School Boards Association (MSBA), said they strongly supported the bill because there were good reasons why local governments should consolidate their efforts and cooperate wherever possible. He commented one issue not addressed in the sponsor's opening was when a school and city-county entity each built on a separate piece of property, those two pieces went off the tax rolls. When they were allowed to build jointly, only one piece of property was involved. He suggested the bill was a fiscally sound way of encouraging local governments to consolidate their efforts in a responsible way to the taxpayers. He urged support for **HB 419**.

Opponents' Testimony: None.

Questions from Committee Members and Responses:

SEN. MIGNON WATERMAN asked if this joint venture would be approved by each entity through an election. **Lance Melton** affirmed.

SEN. BARRY "SPOOK" STANG asked the difference between **HB 419** and a similar one last legislative session. **Mr. Melton** said the bill last session would have allowed a school district to exceed the 4% yearly cap on growth in its budget because they wanted additional funding in order to get into this. This bill has no fiscal note, nor changes in cap on growth.

SEN. DARYL TOEWS asked about the percentage of vote. **Lance Melton** said it did not deviate from current law regarding bond elections. He explained it required majority voter turnout, which was anything less than 30% (even if there was 100% turnout)

made the issue dead. If there was between 30-40%, a 60% approval was needed, and if there was over 40%, it was subject to a 51% proposition.

Closing by Sponsor:

REP. LINDA MCCULLOCH said she closed. She stated **SEN. BARRY "SPOOK" STANG** would carry the bill on the Senate Floor if it was concurred in.

{Tape : 1; Side : A; Approx. Time Counter : 30}

HEARING ON HB 414

Sponsor: **REP. ROYAL JOHNSON, HD 10, Billings**

Proponents: **Pete Donovan, Office of Public Instruction**
Lance Melton, Montana School Boards Association
Erik Burke, Governor's Office
Eric Feaver, Montana Education Association & Montana Federation of Teachers

Opponents: **None**

Opening Statement by Sponsor:

REP. ROYAL JOHNSON, HD 10, Billings, said it was necessary that **HB 414** to be a committee bill in order to get it into the old system. He explained when teachers applied for certification, they paid \$6.00 a year for each year the certificate was in effect. Currently, the breakdown was \$3.00 for administrative expenses of the certification standards and advisory council and \$3.00 to the Board of Public Education to be used by the certification standards and practices advisory council for research. The bill would change the split to \$4.00 and \$2.00, respectively, i.e. the total amount would not change.

Proponents' Testimony:

Pete Donovan, Certification Standards and Practices Advisory Council, asked for support for **HB 414**.

Lance Melton, Montana School Boards Association (MSBA), expressed affirmation for the Certification Standards and Practices Advisory Council and its work. He urged support for **HB 414**.

Erik Burke, Governor's Office, said they supported the bill.

Eric Feaver, Montana Education Association (MEA) and Montana Federation of Teachers (MFT), said they supported the bill.

Opponents' Testimony: None.

Questions from Committee Members and Responses: None.

Closing by Sponsor:

REP. ROYAL JOHNSON said he closed and SEN. DARYL TOEWS would carry the bill on the Senate Floor.

{Tape : 1; Side : A; Approx. Time Counter : 34.3}

EXECUTIVE ACTION ON HB 414

Motion/Vote: SEN. WATERMAN moved that HB 414 BE CONCURRED IN. Motion carried unanimously 10-0. SEN. DARYL TOEWS will carry the bill.

EXECUTIVE ACTION ON HB 304

Motion/Vote: SEN. WATERMAN moved that AMENDMENTS HB030401.AEM EXHIBIT(eds56a01) BE CONCURRED IN. Motion carried unanimously 10-0.

Motion/Vote: SEN. WATERMAN moved that HB 304 BE CONCURRED IN AS AMENDED. Motion carried unanimously 10-0. SEN. ALVIN ELLIS will carry the bill.

EXECUTIVE ACTION ON HB 419

Motion/Vote: SEN. WATERMAN moved that HB 419 BE CONCURRED IN. Motion carried unanimously 10-0. SEN. BARRY "SPOOK" STANG will carry the bill.

DISCUSSION ON HB 584

SEN. BILL GLASER commented he wanted to ensure preference was not given to relatives, friends, etc.

SEN. WATERMAN commented language should be added which would say something to the effect a system should be developed to make people aware of the surplus properties.

SEN. DARYL TOEWS stated awareness was important, but so was a distribution mechanism.

Madalyn Quinlin, Office of Public Instruction (OPI), said she had just visited with **REP. CAROL JUNEAU** and **Angela Fultz** to develop a criteria and communication system, which she would bring before the Committee before executive action.

{Tape : 1; Side : B; Approx. Time Counter : 0}

DISCUSSION ON HB 103, HB 71 AND SB 460

Eddy McClure explained the comparisons and overlapping of the bills in **EXHIBIT(eds56a02)**.

SEN. DARYL TOEWS asked if the wording in **HB 103** and **SB 460** was different and **Eddy McClure** affirmed, explaining it would be helpful to compare the page numbers listed in the exhibit to see what the differences were.

SEN. ALVIN ELLIS said his intention in **SB 460** was if there was an over-maximum school district, he had no problem with them staying there. The reason for his amendment to HB 667 was to cause them to address the same budget constraints districts had to face under current law when they lost enrollment, i.e. proportionate loss of over-maximum funding.

Eddy McClure reminded the Committee any bills which passed would have amendments to strike the CI-75 language.

SEN. ELLIS commented he had a different concept of how **HB 71** and **HB 103** worked because it was true the bills did not change how much districts could grow if they wanted expanded ANB funding, if their enrollment was either holding or gaining. However, if schools were losing their enrollment, both bills had exceptions which would allow them to increase their ANB expenditures by more than 4%.

SEN. ELLIS asked **Kathy Fabiano, OPI**, if he was correct and she said she understood the amendment said if a district was over maximum and had a 10% enrollment decline, its budget would also have to decline by 10%, but not go below maximum.

SEN. ELLIS said her interpretation was a little different from what he intended so he would work on the language with OPI so it would say exactly what he wanted it to say. He wanted to affect those districts in the same way as those below the maximum with a loss of enrollment were affected.

SEN. ELLIS also commented he interpreted it as ANB affecting the school district and it seemed it would almost always mean an increase in taxes for the district, even though it didn't spend more money. He thought it should have some reference to how much of an increase it was to ANB. He suggested if SB 100 passed as it left the Senate with an appropriation, it would not cost a local district any more money to increase the funding. Therefore, the way the proposed budget language read, it would appear there would not be any difference to taxpayers whether they voted for or against the issue. However, the truth was if they voted against it, they would receive a decrease in taxes. He remarked there needed to be some language clarity for the taxpayers when they faced the issue.

Kathy Fabiano agreed to present examples of the different scenarios before executive action was taken.

Lance Melton distributed copies of **EXHIBIT (eds56a03)** and asked the Committee to consider the information.

ADJOURNMENT

Adjournment: 4:13 P.M.

SEN. DARYL TOEWS, Chairman

JANICE SOFT, Secretary

DT/JS

EXHIBIT (eds56aad)